

**ADHERENCE TO AND COMPLIANCE WITH
ARMS CONTROL, NONPROLIFERATION, AND DISARMAMENT
AGREEMENTS AND COMMITMENTS**



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Prepared by the U.S. Department of State
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**ADHERENCE TO AND COMPLIANCE WITH
ARMS CONTROL, NONPROLIFERATION,
AND DISARMAMENT AGREEMENTS AND
COMMITMENTS**

INTRODUCTION

PURPOSE

This Report is transmitted pursuant to Section 403 of the Arms Control and Disarmament Act, as amended (22 U.S.C. 2593a), which requires a report by the President on *Adherence to and Compliance with Arms Control, Nonproliferation, and Disarmament Agreements and Commitments*.

SCOPE OF THE REPORT

This Report assesses U.S. compliance with and adherence to arms control, nonproliferation, and disarmament agreements and related commitments in 2017, including Confidence- and Security-Building Measures (CSBMs), as well as the compliance and adherence in 2017 of other nations to arms control, nonproliferation, and disarmament agreements and related commitments, including CSBMs and the Missile Technology Control Regime, to which the United States is a participating State. The issues addressed in this Report primarily reflect activities from January 1, 2017, through December 31, 2017, unless otherwise noted.^a

The Compliance Report includes reporting and analysis at the levels of classification for which reliable supporting information is available. The unclassified version of this report recounts as much information as possible, but certain issues can be discussed only at higher levels of classification. Some compliance concerns are raised and some findings of violations are made, for instance, only in the SECRET- or TOP SECRET/SCI-level versions of this Report.

ADHERENCE AND COMPLIANCE

Arms control, nonproliferation, and disarmament agreements and related commitments continue to be important tools that can protect and advance U.S. interests. Their provisions can limit or reduce threats to U.S. and allies' security, including by limiting participating States' access to or engagement in dangerous or destabilizing capabilities or activities, providing insight and transparency into the actions of participating States, and encouraging stabilizing patterns of behavior and interaction. In these ways, such agreements and commitments can contribute broadly to transparency and stability on a global and regional scale.

^a In this Report, previous editions of the Report are cited by their year of release unless otherwise noted. In general, each edition of the Report focuses on activities that took place during the preceding calendar year. For example, the previous edition of the Report was released in 2017 and primarily reflected activities from January 1, 2016, through December 31, 2016. However, there have been some exceptions to that general practice. For example, the edition released in 2011 primarily reflected activities from January 1, 2009, through December 31, 2010, and the edition released in 2010 primarily reflected activities from January 2004 through December 2008.

However, the utility of arms control, nonproliferation, and disarmament agreements and commitments as tools of statecraft and for the protection and advancement of security interests diminishes significantly if participating States do not fully implement the obligations and commitments they have undertaken. In fact, failures to comply can present serious national security challenges. A party that complies with a treaty only to have one or more of its counterparties violate the agreement, for instance, can find itself at a potentially grave and destabilizing disadvantage – a danger that would be all the more acute to the degree that such cheating is successfully concealed. Violations that are not appropriately and effectively addressed can perpetuate and compound these dangers. Therefore, within the framework of any given set of agreements and commitments, vigorous verification, scrupulous compliance analysis, and robust compliance enforcement are critical aspects of U.S. national security planning.

In evaluating any country's compliance with its arms control, disarmament, and nonproliferation obligations, the United States considers a variety of factors. These include the nature and precise language of the obligations undertaken in the context of international law, information regarding the country's activities – including that acquired by so-called National Technical Means of verification (*i.e.*, intelligence collection), cooperative verification measures, open source information, and diplomatic means – and any information provided by the country in question. A similar process is used to evaluate a country's adherence to politically binding commitments.

Many concerns relating to compliance involve matters of interpretation; many involve highly classified information derived from sensitive sources and methods. Furthermore, some states often attempt to conceal activity that is inconsistent with their obligations or commitments, and some are able to do so with a thoroughness and sophistication that can make it difficult to “pierce the veil” of denial and deception and establish the requisite factual basis for a compliance assessment. For these reasons, it may take significant time to assess whether the actions or activities that gave rise to concerns constitute violations or simply represent differences in implementation approaches or some other permissible activity.

In this Report, the term “violation” refers to any action or omission by a State Party to an international agreement that has been determined by the United States to be inconsistent with obligations owed by that State Party to the United States under the agreement in question and that may give rise to international legal remedies.

As noted above, there can sometimes be legal or factual uncertainty as to whether a violation has occurred. Accordingly, this Report distinguishes between “violations” and instances in which the U.S. government is considering but has not yet determined whether a violation has occurred, for example because there are unresolved factual or legal questions about compliance. The Report refers to the latter category as “compliance concerns.”

In general, this Report uses the terms “violation” and “compliance” only in reference to legal obligations undertaken in international agreements. When discussing politically binding commitments, the Report generally uses the term “adherence” instead of “compliance.” Thus, a State engaged in conduct that is determined to be inconsistent with a politically binding commitment is said to be “not adhering” to that commitment, rather than “violating” the commitment.

When concerns arise regarding the actions of treaty partners, the United States seeks, whenever possible, to address its concerns through diplomatic engagement. However, in the event that the United States determines violations to have occurred, we also have a range of options and means to try to convince violators it is in their interest to return to compliance and to prevent violators from benefitting from their violations.

This Report evaluates adherence to and compliance with arms control, nonproliferation, and disarmament agreements and commitments to which the United States is a participating State. The United States and the majority of the other participating States involved in these agreements and commitments are implementing these obligations and commitments and have indicated their intention to continue doing so. As the Report makes clear, however, compliance concerns – and in some instances treaty violations and actions determined to be inconsistent with political commitments – exist involving a relatively small number of States. Where possible, the United States continues to pursue resolution of those issues with the States in question, as well as to assess the implications of these States' actions and how best the United States should respond to them.

U.S. Organizations and Programs to Evaluate and Ensure Treaty Compliance

Because of our deep-seated legal traditions, our commitment to the rule of law, and our belief in the importance of such agreements to enhance our security and that of our allies and friends, the United States complies with its obligations under all applicable arms control, nonproliferation, and disarmament agreements. It is longstanding U.S. policy to comply with international legal obligations. To the extent the United States has determined that compliance with an obligation is no longer in the U.S. national security interest, the United States has sought to negotiate modification of the agreement in question or withdraw from the agreement altogether – as indeed occurred with the Anti-Ballistic Missile (ABM) Treaty.

As a reflection of the seriousness with which the United States views these obligations, the United States has established legal and institutional procedures to ensure U.S. compliance. Individual departments and agencies within the executive branch have established policies and procedures to ensure that plans and programs under those departments and agencies' purview remain consistent with U.S. international obligations. For example, U.S. Department of Defense (DOD) compliance review groups oversee and manage DOD compliance with arms control, nonproliferation, and disarmament agreements and related commitments, including CSBMs. Additionally, the U.S. Department of State, in its role as the lead U.S. agency on arms control matters, is responsible for providing policy advice and expertise related to compliance to individual departments and agencies and the interagency community. Further, an interagency review is conducted in appropriate cases, including when other treaty Parties formally raise concerns regarding U.S. implementation of its obligations. Finally, Congress performs oversight functions through committee hearings and budget allocations.

OVERVIEW

This Report addresses U.S. compliance with and adherence to arms control, nonproliferation, and disarmament agreements and commitments (Part I), compliance by the Russian Federation (Russia) and other successor States of the Soviet Union with treaties and agreements the United States bilaterally concluded with the Soviet Union or its successor States (Part II), compliance by States Party (including successor States Party) with legally binding multilateral treaties and agreements concluded with the United States (Part III), adherence by participating States (including successor States) to politically binding bilateral and multilateral commitments in which the United States participates (Part IV), and States' adherence to certain unilateral commitments (Part V).

PART I: U.S. COMPLIANCE WITH ARMS CONTROL, NONPROLIFERATION, AND DISARMAMENT AGREEMENTS AND COMMITMENTS

U.S. INSTITUTIONAL AND PROCEDURAL ORGANIZATION FOR ENSURING COMPLIANCE

There are processes and controls within the U.S. executive branch, including at the Department of Defense (DOD), the Department of Energy (DOE), the Department of Homeland Security (DHS), the Department of Commerce, and the Nuclear Regulatory Commission, that operate to ensure plans and programs under those departments' and agencies' purview remain consistent with U.S. international obligations and commitments in the area of arms control, nonproliferation, and disarmament. Additionally, the Department of State, as the lead U.S. agency on arms control matters, has a role in providing policy advice and expertise related to compliance to individual departments and agencies and the interagency community. These processes and controls operate in parallel, and in addition to the Congressional oversight process.

In 1972, DOD established the first such department-level process. Under this compliance process, established at the conclusion of the Strategic Arms Limitation Talks (SALT) that led to arms control-related agreements on strategic offensive arms, key offices in DOD are responsible for overseeing DOD compliance with all U.S. arms control, nonproliferation, and disarmament agreements and commitments, including CSBMs. DOD components ensure that their implementing program offices adhere to DOD compliance directives and seek guidance from the offices charged with oversight responsibility. Similar processes have been established by other departments and agencies to ensure that their programs and activities comply with U.S. international obligations and commitments. For example, DHS similarly established a compliance review process to assess DHS-sponsored research for compliance with all relevant arms controls agreements. Interagency reviews also are conducted in appropriate cases, such as when other States formally raise concerns regarding U.S. implementation of its arms control, nonproliferation, and disarmament obligations and commitments.

U.S. COMPLIANCE

In 2017, the United States continued to be in compliance with all of its obligations under arms control, nonproliferation, and disarmament agreements. When other countries have formally raised a compliance concern regarding U.S. implementation activities, the United States has carefully reviewed the matter to confirm its actions were in compliance with its obligations.

Convention on the Prohibition of the Development, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction (Biological Weapons Convention or BWC)

Based on the U.S. compliance review process, all U.S. activities during the reporting period were found to be consistent with the obligations set forth in the BWC. The United States continues to work toward enhancing transparency of biological defense work and effective national implementation of BWC obligations using the BWC confidence-building measures and a range

of voluntary measures and initiatives. Nevertheless, Russia continues to raise questions about U.S. compliance with the BWC. In October 2017, Russian President Putin suggested that tissue samples sought as part of an Air Force medical research program on arthritis might be intended for research on genetic weapons. This program, however, consists of legitimate medical research that does not violate the BWC.

Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (Chemical Weapons Convention or CWC)

The United States continues to work toward meeting its CWC obligations with respect to the destruction of chemical weapons (CW) and associated CW facilities. The CWC Conference of the States Parties (CSP) decision regarding the “Final Extended Deadlines of 29 April, 2012” requires the United States to report at each regular session of the Organization for the Prohibition of Chemical Weapons (OPCW) Executive Council (EC) on the progress achieved towards complete destruction of remaining stockpiles. The United States provides a report and briefing to each regular session of the EC, and to the CSP annually, on U.S. progress achieved towards complete destruction.

The original deadline of 2012 could not be met because changes in U.S. law required further research and development into alternative chemical weapons destruction methods other than transport and incineration.

The United States has completed destruction of its Category 2 and 3 chemical weapons and has completed destruction of more than 90 percent of its Category 1 chemical weapons stockpile. There are two CW destruction facilities, one located in Pueblo, Colorado, and one in Blue Grass, Kentucky, that are scheduled to complete destruction of the remaining stockpile not later than December 31, 2023. Neutralization will be used as the primary destruction technology at both sites. Additionally, explosive destruction technologies will be used to enhance safety, while accelerating destruction schedules at both sites.

The United States remains fully committed to complete destruction of its entire stockpile, consistent with the Convention’s imperatives of public safety, environmental protection, and international transparency and oversight.

The United States continues to update the OPCW on U.S. destruction efforts, consistent with the November 2011 Decision by the OPCW Conference of States Parties. The United States has provided a full and complete declaration of its CW and associated CW facilities. The United States also is compliant with its CWC obligations related to commercial activities. U.S. CWC Regulations (15 CFR 710 et seq.) require commercial facilities exceeding CWC-specified activity thresholds to submit annual declarations, notifications, and other reports, including on past and anticipated activities, and to permit systematic and routine verification through on-site inspections of declared commercial facilities.

Treaty on the Elimination of Intermediate-Range and Shorter-Range Missiles (Intermediate-Range Nuclear Forces or INF Treaty)

All U.S. activities during the reporting period were consistent with the obligations set forth in the INF Treaty.

Threshold Test Ban Treaty (TTBT), Underground Nuclear Explosions for Peaceful Purposes Treaty (PNET), and Limited Test Ban Treaty (LTBT)

The Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Underground Nuclear Weapon Tests, also known as the Threshold Test Ban Treaty (TTBT), was signed in 1974. It establishes a nuclear “threshold” by prohibiting each Party from undertaking underground nuclear weapon tests having a yield exceeding 150 kilotons at any place under its jurisdiction or control. The Peaceful Nuclear Explosions Treaty governs underground nuclear explosions for peaceful purposes at any place under the jurisdiction or control of the Parties other than the test sites specified under the TTBT.

Under Section IV, paragraph 2 of the June 1990 Protocol to the TTBT, each party is required, by not later than June 1 of each year, to inform the other of the number of underground nuclear weapons tests by specified category that it intends to conduct in the following calendar year. For purposes of the TTBT, an “underground nuclear weapon test” means either a single underground nuclear explosion conducted at a test site, or two or more underground nuclear explosions conducted at a test site within an area delineated by a circle having a diameter of two kilometers, conducted within a total period of time of 0.1 second, and whose combined yield is less than 150 kilotons. The TTBT Protocol defines the term “explosion” as “the release of nuclear energy from an explosive canister.”

The United States has not conducted any nuclear weapon explosive tests or any nuclear explosions for peaceful purposes since 1992. All U.S. activities during the reporting period were consistent with the obligations set forth in the TTBT, PNET, and LTBT.

1925 Geneva Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare

All U.S. activities during the reporting period were consistent with the obligations set forth in the 1925 Geneva Protocol.

Treaty on Conventional Armed Forces in Europe (CFE)

All U.S. activities during the reporting period were consistent with the obligations set forth in the Conventional Armed Forces (CFE) Treaty.

The United States continues to maintain cessation of implementation of certain CFE Treaty obligations (notifications, data exchange, and inspections) vis-à-vis the Russian Federation as a countermeasure in response to Russia’s continued violation of its obligations to the United States under the CFE Treaty. This measure was closely coordinated with NATO Allies, which also implemented similar steps in their respective national capacities. Russia has not challenged this

action. The United States continues to perform its obligations under the CFE Treaty vis-à-vis all other States Party.

Treaty on Open Skies (OST)

All U.S. activities during the reporting period were consistent with the obligations set forth in the Open Skies Treaty (OST).

During the reporting period, Russia raised a number of concerns related to U.S. implementation of the OST. The United States reviewed Russia's concerns and provided an explanation for each concern raised by Russia. The United States is committed to further improving and refining Treaty implementation.

In May 2017, Russia asserted that the United States had not reimbursed Russia for 2016 Treaty operating expenses in accordance with Treaty provisions. After receiving updated banking information from Russia in June 2017, and resolving an internal procedural issue with the funding transfer, the United States notified Russia on September 15, 2017, that the payment had been made. Russia confirmed payment receipt on September 19, 2017.

Finally, during three U.S. Observation Missions in Russia in October and November 2017, Russia claimed that the filters for the U.S. wet-film cameras were not marked appropriately and that the United States thus had not demonstrated, in accordance with Annex D to the Treaty, that the sensor configuration was the same as certified. In each instance, the United States explained that the filters used on the missions corresponded to those certified in 2002. Nevertheless, Russia continues to raise this issue as a concern.

Treaty on the Non-Proliferation of Nuclear Weapons (Nuclear Non-Proliferation Treaty or NPT)

All U.S. activities during the reporting period were consistent with the obligations set forth in the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).

Treaty Between the United States of America and the Russian Federation on Measures for the Further Reduction and Limitation of Strategic Offensive Arms (New START Treaty or NST)

All U.S. activities during the reporting period were consistent with the obligations set forth in the New START Treaty.

Agreement Between the Government of the United States of America and the Government of the Russian Federation Concerning the Management and Disposition of Plutonium Designated as No Longer Required For Defense Purposes and Related Cooperation (Plutonium Management Disposition Agreement or PMDA)

All U.S. activities during the reporting period were consistent with the obligations set forth in the PMDA. In response to the 2017 U.S. Compliance Report, which noted concern with Russia's October 2016 announcement of a decision to "suspend" the PMDA, the Russian Ministry of

Foreign Affairs published a statement on its website on April 29, 2017, that claimed “Washington’s actions [with respect to the Administration’s proposed new method of disposition involving dilution-burial and its plans to halt construction of the MOX Fuel Fabrication Facility in South Carolina] were a violation of the Agreement as the U.S. Administration took steps to change the method of disposition without securing Russia’s consent, which runs contrary to the Agreement provisions.” Despite Russia’s assertion, however, the PMDA allows either side to utilize any disposition method that is agreed by Parties in writing (Article III.1). Neither side has begun implementation of its disposition program. Changing the U.S. method to dilution-burial, in fact, would allow the United States to begin fulfilling the goals of the PMDA more quickly.

The President’s FY 2018 budget request to Congress proposed that the mixed oxide facility in which plutonium designated under the PMDA was intended to be disposed be terminated and that the United States proceed with necessary design work to support a method of diluting and disposing of the material. Congress, in the National Defense Authorization Act for 2018, approved continued funding for the mixed oxide facility, but with the possibility of a waiver if, among other conditions are met, the existence of a feasible alternative option is certified. The Administration will work with Congress to move U.S. disposition efforts forward.

PART II: COMPLIANCE BY THE RUSSIAN FEDERATION (RUSSIA) OR OTHER SUCCESSOR STATES OF THE SOVIET UNION WITH TREATIES AND AGREEMENTS THE UNITED STATES CONCLUDED BILATERALLY WITH THE SOVIET UNION OR ITS SUCCESSOR STATES

TREATY ON THE ELIMINATION OF INTERMEDIATE-RANGE AND SHORTER-RANGE MISSILES (INTERMEDIATE-RANGE NUCLEAR FORCES or INF TREATY)

The Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles (INF Treaty) was signed by President Reagan and Soviet General Secretary Gorbachev on December 8, 1987, and entered into force on June 1, 1988.

FINDING

The United States has determined that in 2017, the Russian Federation (Russia) continued to be in violation of its obligations under the INF Treaty not to possess, produce, or flight-test a ground-launched cruise missile (GLCM) with a range capability of 500 kilometers to 5,500 kilometers, or to possess or produce launchers of such missiles.

CONDUCT GIVING RISE TO COMPLIANCE CONCERNS

The INF Treaty is of unlimited duration and bans the possession, production, and flight-testing of intermediate- and shorter-range missile systems. The Treaty required the complete elimination of all the approximately 800 U.S. and approximately 1,800 former Soviet ground-launched missiles with maximum ranges between 500 and 5,500 kilometers, their launchers, and their associated support equipment and structures. All such items were eliminated by May 28, 1991.

The INF Treaty established a verification regime using national technical means of verification (NTM), notifications, and an on-site inspection regime to detect and deter violations of Treaty obligations. The inspection regime concluded on May 31, 2001 – that is, 13 years after the Treaty's entry into force, in accordance with Article XI of the Treaty.

As stated in all editions of this Report since 2014, the United States has determined that Russia is in violation of its obligations under the INF Treaty not to possess, produce, or flight-test a GLCM with a range capability of 500 kilometers to 5,500 kilometers, or to possess or produce launchers of such missiles.

ANALYSIS OF COMPLIANCE CONCERNS

The INF Treaty defines an intermediate-range missile as a ground-launched ballistic missile (GLBM) or GLCM having a range capability in excess of 1,000 kilometers but not in excess of 5,500 kilometers. The Treaty defines a shorter-range missile as a GLBM or GLCM having a range capability equal to or in excess of 500 kilometers but not in excess of 1,000 kilometers. A GLCM is defined as a ground-launched cruise missile that is a weapon delivery-vehicle.

Article I provides that the Parties shall not have intermediate-range and shorter-range missiles as defined by the Treaty.

Paragraph 1 of Article IV provides that the Parties shall not possess intermediate-range missiles or launchers of such missiles, or support structures or equipment of the categories listed in the Memorandum of Understanding associated with such missiles and launchers.

Paragraph 1 of Article VI provides that no Party shall produce or flight-test any intermediate-range missiles or produce any stages or launchers of such missiles.

Paragraph 1 of Article VII provides that if a cruise missile has been flight-tested or deployed for weapon delivery, all missiles of that type shall be considered to be weapon-delivery vehicles.

Paragraph 2 of Article VII provides that if a GLCM is an intermediate-range missile, all GLCMs of that type shall be considered to be intermediate-range missiles.

Paragraph 4 of Article VII provides that the range capability of a GLCM not listed in Article III of the Treaty shall be considered to be the maximum distance that can be covered by the missile in its standard design mode flying until fuel exhaustion, determined by projecting its flight path onto the earth's sphere from the point of launch to the point of impact.

Paragraph 7 of Article VII provides that if a launcher has been tested for launching a GLCM, all launchers of that type shall be considered to have been tested for launching GLCMs.

Paragraph 8 of Article VII provides that if a launcher has contained or launched a particular type of GLCM, all launchers of that type shall be considered to be launchers of that type of GLCM.

Paragraph 11 of Article VII provides that a cruise missile that is not a missile to be used in a ground-based mode shall not be considered to be a GLCM if it is test-launched at a test site from a fixed land-based launcher that is used solely for test purposes and that is distinguishable from GLCM launchers. Additional information is provided in the higher classification report.

EFFORTS TO RESOLVE COMPLIANCE CONCERNS

The United States is committed to doing everything it can to preserve the integrity of the INF Treaty. The U.S. government is working toward this goal despite the Russian Federation's clandestine possession, production, and flight-testing of a ground-launched cruise missile in direct violation of the Russian Federation's core obligations under the Treaty. The United States remains open to discussing any and all ways to facilitate the Russian Federation's return to full and verifiable compliance.

The Administration conducted an extensive review of Russia's ongoing INF Treaty violation in order to assess the potential security implications of the violation for the United States and its allies and partners and to determine an appropriate response, and is implementing diplomatic, military, and economic measures in connection with this review.

Since 2013, the United States has raised its concerns regarding Russian development of a GLCM with a range capability between 500 and 5,500 kilometers with Russia on repeated occasions and at various levels and departments within the Russian government in an effort to resolve U.S. concerns. The priority of the United States is for Russia to return to compliance to ensure the continued viability of the INF Treaty, and the United States continues to engage the Russian Government to resolve our concerns.

The United States has provided detailed information to the Russian Federation over the course of these bilateral and multilateral engagements, more than enough information for the Russian side to engage substantively on the issue of its obligations under the INF Treaty. This includes the following:

- Information pertaining to the missile and the launcher, including Russia's internal designator for the mobile launcher chassis and the names of the companies involved in developing and producing the missile and launcher;
- Information on the violating GLCM's test history, including coordinates of the tests and Russia's attempts to obfuscate the nature of the program;
- The violating GLCM has a range capability between 500 and 5,500 kilometers;
- The violating GLCM is distinct from the R-500/SSC-7 GLCM or the RS-26 ICBM; and,
- The United States assesses the Russian designator for the system in question is 9M729.

In an effort to resolve U.S. concerns at the technical level, the United States has convened multiple sessions of the INF Treaty's implementation body, the Special Verification Commission (SVC). Prior to 2016, the SVC had last met in October 2003 following the conclusion of the INF Treaty's inspection regime in 2001. The November 15-16, 2016 SVC session was attended by Russia, Belarus, Kazakhstan, and Ukraine, and provided a multilateral technical venue for the United States to raise the issue of Russia's violation of its obligations under the INF Treaty not to possess, produce, or flight-test a GLCM with a range capability of 500 kilometers to 5,500 kilometers, or to possess or produce launchers of such missiles.

To assess Russian willingness to return to compliance with its obligations under the Treaty, the United States called for another session of the SVC from December 12-14, 2017.

The North Atlantic Council issued a December 15, 2017 public statement, affirming U.S. compliance with the Treaty and urging Russia to address the serious concerns raised by its missile system "in a substantial and transparent way, and actively engage in a technical dialogue with the United States."

The United States continues to pursue resolution of U.S. concerns with Russia and is consulting with allies to review a range of appropriate options should Russia persist in its violation. The United States has made clear to Russia that the United States will protect U.S. security and the security of U.S. allies, and that Russian security will not be enhanced by continuing its violation. Additional information is provided in the higher classification Annex.

**TREATY ON
MEASURES FOR THE FURTHER REDUCTION AND LIMITATION OF STRATEGIC
OFFENSIVE ARMS
(THE NEW START TREATY or NST)**

For a discussion of Russia's implementation of its obligations under the New START Treaty, see the Report on Implementation of the New START Treaty, dated April 2018, submitted pursuant to Section (a)(10) of the Senate Resolution of Advice and Consent to Ratification of the Treaty Between the United States of America and the Russian Federation on Measures for the Further Reduction and Limitation of Strategic Offensive Arms (also known as the "Condition (10) Report"), and appended to this Report.

**AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE RUSSIAN FEDERATION CONCERNING THE MANAGEMENT AND DISPOSITION OF PLUTONIUM DESIGNATED AS NO LONGER REQUIRED FOR DEFENSE PURPOSES AND RELATED COOPERATION
(PLUTONIUM MANAGEMENT AND DISPOSITION AGREEMENT or PMDA)**

In 2000, the United States and Russia signed a Plutonium Management and Disposition Agreement (PMDA) committing each country to dispose of no less than 34 metric tons of weapon-grade plutonium removed from their respective defense programs. On April 13, 2010, the United States and Russia signed a Protocol that amended and updated the PMDA. This is the second year the PMDA has been addressed in the Compliance Report. The PMDA as amended entered into force on July 13, 2011, although it had been provisionally applied since its signature in 2000.

Under the amended PMDA, there are no legally-binding deadlines for plutonium disposition. The agreement does contain a non-binding target date to begin disposition in 2018.

FINDING

Although there is no indication the Russian Federation (Russia) violated its obligations under the PMDA, Russia's October 2016 announcement of a decision to "suspend" the PMDA – a term without clear legal meaning under the Agreement – raises concerns regarding its future adherence to those obligations.

CONDUCT GIVING RISE TO COMPLIANCE CONCERN

The President of the Russian Federation announced a decision in October 2016 to "suspend" implementation of the PMDA and to notify the United States of this "suspension." The decree also stated that Russia would not return any of its PMDA plutonium to military programs. The decree did not articulate a valid basis under the PMDA or international law for such a "suspension."

In response to the 2017 U.S. Compliance Report, the Russian Ministry of Foreign Affairs published a statement on its website on April 29, 2017, that claimed "Washington's actions [with respect to the Administration's proposed new method of disposition involving dilution-burial and its plans to halt construction of the MOX Fuel Fabrication Facility in South Carolina] were a violation of the Agreement as the U.S. Administration took steps to change the method of disposition without securing Russia's consent, which runs contrary to the Agreement provisions."

ANALYSIS OF COMPLIANCE CONCERN

Despite Russia's assertion, the PMDA allows either side to utilize any disposition method that is agreed by the Parties in writing (Article III.1). Neither side is in violation of the PMDA and neither side has begun implementation of its disposition program. Changing the U.S. method to

dilution-burial, however, would allow the United States to begin fulfilling the goals of the agreement more quickly.

EFFORTS TO RESOLVE COMPLIANCE CONCERN

The United States has raised our concerns about Russia's purported suspension with the Russian government. Additional information is provided in higher classification versions of this Report. The United States remains committed to fulfilling its plutonium-disposition obligations.

PART III: COMPLIANCE BY STATES PARTY (INCLUDING SUCCESSOR STATES PARTY) WITH MULTILATERAL TREATIES AND AGREEMENTS CONCLUDED WITH THE UNITED STATES

CONVENTION ON THE PROHIBITION OF THE DEVELOPMENT PRODUCTION AND STOCKPILING OF BACTERIOLOGICAL (BIOLOGICAL) AND TOXIN WEAPONS AND ON THEIR DESTRUCTION

The Convention on the Prohibition of the Development, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (BWC or Convention) opened for signature in 1972 and entered into force in 1975. As of the end of 2017, there were 179 States Party to the BWC and six signatory States for which the treaty is not yet in force. There are 12 States that have neither signed nor ratified the Convention. In 1987, BWC States Party established an annual data exchange, referred to as the Confidence-Building Measures (CBMs). The CBMs were modified and expanded in 1991 and streamlined in 2011. Submission of CBMs is a politically binding commitment, but not all States Party routinely submit reports.

This chapter addresses BWC-related compliance concerns regarding Russia, which is a State Party to the BWC.

Not all activities that would constitute elements of a state offensive biological warfare program are a violation of the BWC: for example, the BWC prohibits development of biological weapons, but does not address research or planning activities; and while BW doctrine may be indicative of a State Party's intentions, it is not itself prohibited by the Convention.

COUNTRY ASSESSMENTS

THE RUSSIAN FEDERATION (RUSSIA)

FINDING

The Russian Federation (Russia) previously acknowledged both that it is a BWC successor State and that it inherited past Soviet offensive programs of biological research and development. Russia's annual BWC CBM submissions since 1992 have not satisfactorily documented whether this program was completely destroyed or diverted to peaceful purposes in accordance with Article II of the BWC. Therefore, available information does not allow the United States to conclude that Russia has fulfilled its Article II obligations to destroy or divert to peaceful purposes BW items specified under Article I of its past BW program.

CONDUCT GIVING RISE TO COMPLIANCE CONCERNS

The Soviet Union became a State Party to the BWC in 1975. Russia's BWC compliance was first addressed in the 1993 Report, though the Soviet Union's BWC noncompliance was first addressed in the January 1984 Report to Congress on Soviet Non-compliance with Arms Control Agreements.

Russia's Acknowledgement of Inherited Soviet Activities. In January 1992, President Yeltsin announced that Russia renounced the former Soviet Union's reservations to the 1925 Geneva Protocol that had allowed for retaliatory use of biological weapons. (The Duma voted to remove these reservations in 2001.) In April 1992, President Yeltsin signed a decree committing Russia as the BWC successor to the Soviet Union and prohibiting illegal biological warfare activity in Russia. During discussions in Moscow in September 1992, Russian officials confirmed the existence of a biological weapons program inherited from the Soviet Union and committed to its destruction.

Although Russia inherited the past offensive program of biological research and development from the Soviet Union, Russia's annual BWC CBM submissions since 1992 have not satisfactorily documented whether this program was completely destroyed or diverted to peaceful purposes in accordance with Article II of the BWC.

ANALYSIS OF COMPLIANCE CONCERNS

Article I of the BWC requires States Party "never in any circumstances to develop, produce, stockpile, or otherwise acquire or retain" biological weapons, equipment, or means of delivery designed to use BW agents or toxins for hostile purposes or in armed conflict. Article II requires States Party to "destroy or divert to peaceful purposes" the BW items specified in Article I of the BWC. States Party to the BWC have a political commitment to report a past offensive program. Since April 11, 1992, subsequent Russian CBM submissions have remained incomplete. It remains unclear if Russia fulfilled its obligations under Article II to "destroy or divert to peaceful purposes" the BW specified in Article I of the Convention that it inherited from the Soviet Union.

EFFORTS TO RESOLVE COMPLIANCE CONCERNS

Although there were no specific expert-level consultations with Russia during the reporting period on matters relevant to its compliance with the BWC, the United States routinely informs Russia of U.S. compliance findings and discusses, more broadly, BWC implementation issues. Additionally, the United States routinely expresses its willingness to engage Russia on such matters.

TREATY ON CONVENTIONAL ARMED FORCES IN EUROPE (CFE)

For a discussion of other nations' adherence to their obligations under the Conventional Armed Forces in Europe (CFE) Treaty, see the Report on Compliance with the Treaty on Conventional Armed Forces in Europe, dated January 2018, submitted pursuant to Condition 5(C) of the Senate Resolution of Advice and Consent to Ratification of the CFE Flank Document (also known as the "Condition 5(C) Report"), and appended to this Report.

CHEMICAL WEAPONS CONVENTION (CWC)

For a discussion of other nations' adherence to their obligations under the Chemical Weapons Convention, see the Report on Chemical Weapons Compliance, submitted pursuant to Condition 10(C) of the Senate Resolution of Advice and Consent to the Chemical Weapons Convention (also known as the "Condition 10(C) Report"), and appended to this Report.

TREATY ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS (NUCLEAR NON-PROLIFERATION TREATY or NPT)

This chapter of the Report covers developments relevant to other nations' compliance with the 1968 Treaty on the Non-Proliferation of Nuclear Weapons (Nuclear Non-Proliferation Treaty or NPT), including their compliance with their related obligation to conclude and implement a Comprehensive Safeguards Agreement (CSA) with the International Atomic Energy Agency (IAEA).^b This chapter also addresses, where relevant, the status of countries' efforts to conclude and implement a modified Small Quantities Protocol (SQP) to their CSA and their efforts to conclude and implement an Additional Protocol to the Safeguards Agreement (AP).^c The chapter focuses on developments in Burma, Iran, North Korea, and Syria.

As of the end of 2017, there were 11 non-nuclear-weapon States Party (NNWS) to the NPT that had not yet brought into force a CSA with the IAEA.^d Although the CSA was designed to meet the requirements of the NPT, the AP is now widely considered to be the global minimum standard for nuclear safeguards. It contains measures that increase the IAEA's ability to verify the non-diversion of declared nuclear material and to provide assurances as to the absence of undeclared nuclear material and activities in a State, and thereby to provide assurances that the State has met its NPT obligation to place all nuclear material under IAEA safeguards. The United States supports universal adoption of the AP by States Party to the NPT, and believes that AP adherence is essential to ensuring the effectiveness and credibility of IAEA safeguards. As of the end of 2017, 148 States had an AP approved by the IAEA Board of Governors (BOG), 147 of those had been signed, 132 had entered into force, and Iran is provisionally applying its AP pending its entry into force. The Protocol Additional to the Agreement between the United States of America and the IAEA for the Application of Safeguards in the United States of America (U.S. Additional Protocol) entered into force for the United States on January 6, 2009.

COUNTRY ASSESSMENTS

^b Article III of the NPT requires each NPT non-nuclear weapons State (NNWS) to accept safeguards "for the exclusive purpose of verification of the fulfillment of its obligations assumed under [the] Treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons." Concluding and implementing a CSA with the IAEA fulfills this obligation. In the case of States with very limited quantities of nuclear material, the State also may enter into a Small Quantities Protocol (SQP) to the CSA that reduces the safeguards implementation burden for such States.

^c The Model Protocol Additional to the Agreement(s) between State(s) and the International Atomic Energy Agency for the Application of Safeguards (AP) was developed in 1997 to provide the IAEA with broader access to information and locations, and thereby to increase the IAEA's ability to provide assurance of the absence of undeclared nuclear material and activities in States Party. With a supermajority of NPT States Party now implementing APs, in practice the combination of a CSA together with an AP has become the international standard for IAEA verification.

^d The States without a CSA in force as of December 31, 2017, are as follows: Benin, Cape Verde, Equatorial Guinea, Eritrea, Guinea, Guinea Bissau, Liberia, Micronesia, Sao Tome and Principe, Somalia, and Timor-Leste. In 2015, the Palestinians deposited an instrument of accession to the NPT. The United States does not believe the "State of Palestine" qualifies as a sovereign State and does not recognize it as such. Accession to the NPT is limited to sovereign States; therefore, the United States believes that the "State of Palestine" is not qualified to accede to the NPT and does not consider itself to be in a treaty relationship with the "State of Palestine" under the NPT.

MYANMAR (BURMA)

FINDING

The available evidence does not support a conclusion that Myanmar (Burma) violated the NPT; however, the United States remains concerned about Burma's lack of transparency regarding past nuclear work, as much of this knowledge remains within the military and is not reported to the civilian government. Burma's signing of an AP in 2013 and its announcement that it would adhere to the modified SQP contributed significantly to U.S. confidence in the civilian leadership's peaceful intentions regarding its nascent nuclear program. Neither the AP nor the modified SQP have yet entered into force, however, and efforts to bring into force and implement them will require cooperation between the civilian and military elements of the Burmese government to succeed. Burma's implementation of the AP and a modified SQP will improve confidence regarding an assessment of Burma's NPT compliance.

CONDUCT GIVING RISE TO COMPLIANCE CONCERNS

Burma became a State Party to the NPT in 1992, its CSA with the IAEA entered into force in 1995, and it signed an AP with the IAEA in 2013. Entry into force (EIF) of the AP will occur when Burma notifies the IAEA that its domestic statutory requirements have been met, after which Burma will have 180 days to submit its initial declaration to the IAEA. As a country with little to no nuclear material, Burma concluded an SQP to its Safeguards Agreement in 1995, which holds in abeyance key provisions in the Safeguards Agreement as long as Burma does not possess quantities of nuclear material that exceed a defined threshold or "in a facility as defined in" its Safeguards Agreement. In 2005, the IAEA approved an update of the Model SQP. Burma has not yet modified its SQP to conform to the update, but in 2012, then-President Thein Sein announced Burma's intention to do so.

Burma publicly announced its intention to acquire a nuclear research reactor for peaceful purposes as early as 2002, and in 2007 it signed an agreement with Russia for assistance building a nuclear research center, including a light-water research reactor. In 2010, an analysis commissioned by a dissident group alleged that Burma was seeking nuclear technology, concluding that "[t]his technology is only for nuclear weapons and not for civilian use or nuclear power." The Burmese government at the time dismissed the claims as "groundless allegations." Burma reported in 2010 that it had suspended its reactor plan with Russia "due to inadequacy of resources and the government's concern for misunderstanding it may cause." Russia and Burma did sign a Memorandum of Understanding (MOU) for cooperation in peaceful use of nuclear energy on June 18, 2015, and the two countries reportedly established a working body for nuclear technology cooperation under the MOU in October 2016. The Burmese government describes the MOU as addressing cooperation on research and development of nuclear energy for peaceful purposes, as well as nuclear safety, assessments of the environmental impact of nuclear energy, and nuclear medical technology.

ANALYSIS OF COMPLIANCE CONCERNS

Under NPT Article II, each NNWS Party undertakes, among other things, "not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices." In NPT Article III, each

NNWS Party “undertakes to accept safeguards ... for the exclusive purpose of verification of the fulfillment of its obligations assumed under this Treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons.” This obligation requires conclusion and implementation of a CSA with the IAEA.

When Burma’s AP enters into force, it will be obligated to, among other things, provide the IAEA with a declaration that includes information on any nuclear facilities and all nuclear-related activities. It must also provide the IAEA with expanded inspection access, including to additional parts of Burma’s nuclear research program, and the ability to collect samples and information to verify compliance. When Burma modifies its SQP to conform to the 2005 update, this will, among other things, require it to declare all nuclear material. Additionally, Burma will be required to provide early design information for any planned nuclear facilities and corresponding inspection access, which are currently held in abeyance under the existing SQP.

The United States retains confidence in Burma’s civilian leadership’s intentions to pursue a purely peaceful civilian nuclear program. Although the United States continues to be concerned about Burma’s willingness to be transparent about its previous nuclear work given that much of this knowledge remains within the military, which is not under the civilian government’s control, we have no evidence of ongoing activities under Burma’s civilian government that raise compliance concerns. Burma’s declarations of nuclear-related activities and locations under an AP, its initial declaration of nuclear material under a modified SQP, and its responsiveness to IAEA questions following EIF and implementation of an AP and modified SQP will be key to assessing activities that have raised concerns in the past regarding its military’s nuclear intentions and activities.

EFFORTS TO RESOLVE COMPLIANCE CONCERNS

The United States has held a series of workshops for Burmese stakeholders, which included a complementary access exercise to increase awareness of the AP and SQP, and to help prepare for their future implementation. During a visit to Burma in July 2017, IAEA Director General Yukiya Amano encouraged early EIF of the AP.

The United States continues to emphasize the importance of ensuring the cooperation of all relevant agencies to provide complete reporting to the IAEA, address all IAEA outstanding questions and concerns regarding Burma’s nuclear activities, and to bring the AP into force and update the SQP. The United States has requested that partner states urge Burma’s civilian government to bring the AP into force.

ISLAMIC REPUBLIC OF IRAN (IRAN)

FINDING

Previous issues leading to findings of violations of both Article II and Article III of the NPT by the Islamic Republic of Iran (Iran) were resolved as of the 2015 reporting period, despite Iran’s continued refusal to acknowledge or provide certain information about the military dimensions of its past nuclear activities. At the end of December 2017, Iran continued to fulfill its nuclear-

related commitments under the Joint Comprehensive Plan of Action (JCPOA). While key limitations contained in the JCPOA will begin to ease or expire in 2026 and 2031, Iran's commitments to allow increased IAEA verification and monitoring, in particular providing broader access to information and locations under the AP and modified Code 3.1, and to not engage in certain work that could contribute to the development of a nuclear weapon, continue indefinitely. Tehran's adherence to these commitments will hinder its ability to produce a nuclear weapon even after the time-bound provisions of the deal expire, helping to ensure that its nuclear program remains exclusively peaceful in nature. The United States has made clear that it seeks to work with our diplomatic partners to address our concerns about the expiration dates in the JCPOA.

As required by the Iran Nuclear Agreement Review Act of 2015 (INARA), on three occasions during the reporting period the Secretary of State certified to Congress that: Iran is transparently, verifiably, and fully implementing the JCPOA; has not committed a material breach with respect to the JCPOA; has not taken any action during the reporting period, including covert activities, that could significantly advance an Iranian nuclear weapons program; and that the sanctions relief provided in connection with the JCPOA is appropriate and proportionate to the specific nuclear measures undertaken by Iran and vital to the national security interests of the United States. In October, the Secretary of State informed Congress that the United States concluded, following a comprehensive review, that the sanctions relief Iran received as part of the JCPOA is not proportionate to the specific, limited-duration measures Iran took with respect to terminating its illicit nuclear program. Accordingly, the Secretary of State informed Congress that he was unable to certify that the condition in Section 135(d)(6)(A)(iv)(I) of the Atomic Energy Act of 1954 (AEA), as amended, including as amended by the INARA of 2015 (Public Law 114-17) is met as of October 15, 2017.

CONDUCT GIVING RISE TO COMPLIANCE CONCERNS

Iran became a State Party to the NPT in 1970, and its CSA entered into force in 1974. Iran signed but did not ratify an AP to its Safeguards Agreement in 2003 and voluntarily implemented AP measures from late 2003 to early 2006, when it stopped such implementation. It has been provisionally applying its AP, pending its entry into force, since January 2016. Iran's compliance with the NPT was first addressed in the 1992 Report.

As also described in previous editions of this Report, Iran's violations of its obligations under Articles II and III of the NPT and its IAEA Safeguards Agreement had been ongoing since the early 1980s. In 2002, an Iranian opposition group publicly revealed covert nuclear facilities under construction at Natanz and Arak that Iran had failed to declare to the IAEA. Reports from the resulting IAEA investigation led the IAEA BOG to find Iran in noncompliance with its Safeguards Agreement in 2005 and to report the case to the UNSC in 2006. In 2009, Iran announced another previously undisclosed uranium enrichment facility under construction near the city of Qom, Iran. The IAEA reported extensively in dozens of reports since 2003 on Iran's violations of its Safeguards Agreement. From 2006 to 2011, the Security Council adopted multiple resolutions on Iran, four of which imposed binding obligations under Chapter VII of the UN Charter (UNSCRs 1737, 1747, 1803, and 1929).

From 2006 through 2013, in contravention of UNSC and IAEA BOG resolutions, Iran: continued research and development work on advanced centrifuges; enriched uranium up to nearly 20 percent at both the Natanz Pilot Fuel Enrichment Plant and the Fordow Fuel Enrichment Plant; continued to construct the IR-40 heavy water-moderated research reactor at Arak; and operated its heavy water production plant at Arak. During this timeframe, Iran did not fully cooperate with the IAEA in regard to its declared facilities; in particular, as noted in previous Compliance Reports, Iran did not provide design information or report design changes well in advance of any action taken to modify existing facilities or construct new ones, as required by modified Code 3.1 of the Subsidiary Arrangements to Iran's Safeguards Agreement.

From 2008 through 2014, the IAEA Director General (DG) reports on Iran stated that concerns remained about the possible existence in Iran of undisclosed nuclear-related activities, both past and current, involving military-related organizations. The Annex to the November 2011 DG's report detailed the basis for concerns regarding the "possible military dimensions" (PMD) of Iran's nuclear program. It stated that, according to credible reports from multiple sources, Iran had a structured military program through 2003, including activities related to the development of a nuclear payload for a missile, and that some nuclear weapons related activities may have continued post-2003.

On November 24, 2013, the P5+1 (United States, United Kingdom, France, Russia, China, and Germany) and Iran entered into the Joint Plan of Action (JPOA), the predecessor arrangement to the JCPOA, designed to keep Iran's nuclear program from advancing while negotiations on a long-term comprehensive solution continued. Under the JPOA, Iran took a series of initial steps to stop and roll back key elements of its nuclear program. The JPOA went into effect on January 20, 2014, and its terms were extended by the P5+1 and Iran pending the conclusion of negotiations on a long-term, comprehensive solution.

On July 14, 2015, the P5+1, the European Union and Iran concluded the JCPOA to help address the international community's concerns regarding the nature of Iran's nuclear program. By its terms, the JCPOA came into effect on October 18, 2015, known as "Adoption Day." On December 7, 2015, the P5+1 submitted a resolution to the IAEA BOG with a view to closing consideration of the PMD of Iran's past nuclear program. The resolution was subsequently adopted by the BOG by consensus on December 15, 2015. In the resolution, the BOG noted the DG's "Final Assessment on Past and Present Outstanding Issues regarding Iran's Nuclear Programme," and also noted the successful implementation of the "road map" that enabled this final assessment, despite Iran's continued refusal to acknowledge or provide certain information about the military dimensions of its past nuclear activities. With this resolution, the BOG closed its consideration of the PMD agenda item and decided to remain seized of a new agenda item covering JCPOA implementation and verification and monitoring in Iran. The resolution also terminated previous BOG resolutions, effective as of "Implementation Day" under the JCPOA, including those that found Iran in noncompliance with its safeguards obligations. Closing the PMD agenda item does not preclude the IAEA from investigating if there is reason to believe Iran is pursuing any covert nuclear activities, including nuclear weapons work.

On January 16, 2016, the IAEA reported that Iran had completed the nuclear-related steps necessary to reach Implementation Day, at which point JCPOA-related sanctions relief became effective, and the provisions of UN Security Council Resolutions (UNSCR) 1696, 1737, 1747,

1803, 1929, and 2224 were terminated in accordance with UNSCR 2231. The nuclear steps Iran completed to reach Implementation Day are specified in paragraphs 15.1 to 15.11 of Annex V of the JCPOA. Completion and maintenance of Iran's nuclear related commitments increased for a decade the breakout timeline for Iran to acquire enough fissile material for one nuclear weapon if it chose to do so from two to three months before the JCPOA was concluded to about one year, with the breakout timeline subsequently decreasing progressively through year 15. As of the end of the reporting period, Iran continued to adhere to these key JCPOA commitments, including limits on centrifuge numbers, a cap on its stockpile of enriched material, and allowing enhanced IAEA monitoring measures.

Under the JCPOA, Iran committed not to accumulate more than 130 metric tons of nuclear grade heavy water, or its equivalent in different enrichments, for 15 years, and to make any excess heavy water available for export and deliver it to an international buyer. As reported by the IAEA, Iran maintained a domestic heavy water stockpile under the 130 metric ton limit throughout the reporting period. Most Iranian excess heavy water has been sold and delivered to international buyers; the remainder is awaiting sale and is stored in a location outside Iran, under IAEA seal, though it remains Iranian property.

ANALYSIS OF COMPLIANCE CONCERNS

As noted in the previous report, in December 2015, the IAEA issued its Final Assessment on Past and Present Outstanding Issues regarding Iran's Nuclear Program. The IAEA BOG subsequently closed consideration of the agenda item relating to PMD of Iran's nuclear program and instead shifted to a new agenda item relating to JCPOA implementation and verification and monitoring in Iran. Under the JCPOA, Iran committed to provisionally apply the AP to its CSA in accordance with Article 17(b) of the AP and fully implement the modified Code 3.1 of the Subsidiary Arrangements to its Safeguards Agreement. Iran also committed in the JCPOA to allow the IAEA to monitor implementation of the voluntary measures set forth in the JCPOA, as well as to implement transparency measures as set out in the JCPOA. These include the site access provisions of Section Q of Annex I of the JCPOA, which apply to IAEA requests for access related to undeclared nuclear materials or activities, or activities inconsistent with the JCPOA, at locations that have not been declared under the CSA or AP, including but not limited to activities that would contribute to the design and development of a nuclear explosive device as set forth in Section T of that Annex. The IAEA continues to exercise its full authorities in pursuing any new safeguards-relevant or JCPOA-related information in Iran, including any new concerns regarding weaponization should they arise, through implementation of Iran's Safeguards Agreement, Additional Protocol, and the enhanced transparency and verification measures contained in the JCPOA.

The U.S. Intelligence Community assessed with high confidence in November 2007 (and made public in the December 2007 National Intelligence Estimate) that Iran in 2003 halted its nuclear weapons program. For the purposes of the NIE, Iran's nuclear weapons program was defined as comprising Iran's nuclear weapon design and weaponization work and the Iranian military's covert uranium conversion-related and uranium enrichment-related work, but excluding Iran's previously clandestine civilian-led efforts related to uranium conversion and enrichment that operated in conjunction with Iran's weaponization work but had been subsequently declared to the IAEA in response to international scrutiny resulting from exposure of these undeclared

activities. It was also assessed with high confidence that as of the time of that assessment, Iran had conducted research and development projects with commercial and conventional military applications – some of which would also be of limited use to nuclear weapons. According to the IAEA, moreover, some Iranian activities relevant to the development of a nuclear explosive device, such as computer modeling, still continued after 2003, but these were not part of a coordinated effort. The IAEA has no credible indication of activities in Iran relevant to the development of a nuclear explosive device after 2009.

During this reporting period, the IAEA confirmed that it continues to verify and monitor the wide range of steps Iran is undertaking to implement its nuclear-related commitments under the JCPOA. These include verifying the limits on Iran's enrichment capacity, uranium stockpile, and heavy water accumulation; verifying Iran's enrichment research and development is in line with the JCPOA; and implementing an array of additional monitoring and transparency measures designed to ensure Iran's nuclear program is and remains exclusively peaceful. The IAEA has established regular inspections at declared Iranian nuclear facilities, and Iran has provided the IAEA with timely access as required by the JCPOA. In addition, Iran is provisionally applying the AP to its CSA with the IAEA in accordance with Article 17(b) of the Additional Protocol, and is implementing modified Code 3.1 of the subsidiary arrangements to its Safeguards Agreement, which requires that Iran provide early and updated reporting on planned and modified nuclear facilities. These measures provide the IAEA with additional transparency and access authorities for the monitoring and verification of the JCPOA and Iran's CSA. During the reporting period, the IAEA reported that it has conducted complementary access inspections under the AP to sites and other locations in Iran to ensure the absence of undeclared activity at those locations.

Under the JCPOA, Iran has taken significant steps to stop and roll back key elements of its ongoing civil nuclear program. Iran exported nearly its entire stockpile of enriched uranium in furtherance of meeting the JCPOA limit on its enriched uranium stockpile of no more than 300 kg of up to 3.67 percent enriched UF₆ or equivalent, eliminated nearly all of its previous stock of uranium enriched up to 20 percent U-235, removed and disabled the core of the IR-40 reactor at Arak by filling the calandria with concrete, and removed and placed under IAEA monitoring thousands of centrifuges in order to meet its JCPOA limit of no more than 5,060 centrifuges for uranium enrichment. Iran has allowed IAEA inspectors daily access to enrichment facilities when requested and permitted continuous monitoring of other declared key nuclear-related facilities, including uranium mines, mills, and centrifuge production and storage facilities.

EFFORTS TO RESOLVE COMPLIANCE CONCERNS

The United States will continue its work with our partners in JCPOA implementation – the P5+1, the European Union, and the IAEA – and with Iran to ensure that the nuclear-related steps Iran has taken in accordance with the JCPOA remain fully implemented, and to ensure Iran's compliance with its obligations under the NPT, its Safeguards Agreement, and the AP (as applied by Iran pursuant to the JCPOA). The United States has the ability to reapply unilateral

sanctions and to cause the reimposition of UN multilateral sanctions if Iran does not abide by its commitments under the JCPOA.^e

DEMOCRATIC PEOPLE’S REPUBLIC OF KOREA (NORTH KOREA)

FINDING

The Democratic People’s Republic of Korea (North Korea) was in violation of its obligations under Articles II and III of the NPT and its IAEA Safeguards Agreement at the time it announced its withdrawal from the NPT in 2003. The United States assesses that the nuclear activities of North Korea contravene its commitments under the 2005 Joint Statement of Six-Party Talks and stand in clear violation of UNSCRs 1718, 1874, 2087, 2094, 2270, 2321, 2356, 2371, and 2375. North Korea’s continuing nuclear activities and statements attest that it currently has no intention to adhere to its 2005 Joint Statement commitments and comply with its UNSCR obligations.

CONDUCT GIVING RISE TO COMPLIANCE CONCERNS

North Korea acceded to the NPT in December 1985 and its IAEA Safeguards Agreement entered into force in 1992.

Previous editions of this Report have described violations by North Korea of its obligations under Articles II and III of the NPT and its Safeguards Agreement before it announced its withdrawal from the NPT in 2003. This Report will focus primarily on calendar year 2017 (the reporting period), with updates on activities and the status of the key North Korean nuclear facilities.

Production Facilities

During the reporting period, the IAEA noted indications that the reactor at the Yongbyon Nuclear Research Center continued to operate, as well as indications consistent with the use of the reported uranium enrichment facility at the Yongbyon Nuclear Fuel Fabrication Plant. DG Amano said in March that North Korea’s uranium enrichment facility has doubled in size, noting that the situation had “gone into a new phase.”

Yongbyon has an experimental light water reactor (LWR) under construction, which North Korea revealed publicly in 2010. If successfully completed and operated, the LWR could provide North Korea with a relatively small source of electricity. It also provides North Korea

^e On January 12, 2018, President Trump stated his intent to work with Congress on legislation that addressed three key areas 1) Iran must allow inspections at all locations requested by the IAEA or face the snapback of sanctions if it does not comply; 2) Iran should never come close to possessing a nuclear weapon; 3) Iran should be prevented from deploying or testing a long-range missile and that any development and testing of such missiles should be subject to severe sanctions. The President also made clear that he would not continue to renew the waiving of sanctions on Iran unless our European partners joined us in seeking a supplemental agreement to the JCPOA to address these areas.

with a civilian justification to possess uranium enrichment technology that could be used to produce fissile material for nuclear weapons.

The United States believes there is a clear likelihood of additional unidentified nuclear facilities in North Korea.

Testing

During the reporting period, North Korea conducted its sixth nuclear test on September 3, which it claimed was a hydrogen bomb. This test was reportedly the largest of North Korea's tests to date.

ANALYSIS OF COMPLIANCE CONCERNS

Under the 2005 Joint Statement of the Six-Party Talks, North Korea committed to abandoning all nuclear weapons and existing nuclear programs, and to return at an early date to the NPT and IAEA safeguards. Multiple UNSCRs require North Korea to abandon all nuclear weapons and existing nuclear programs in a complete, verifiable, and irreversible manner, and immediately cease all related activities. UNSCRs also demand North Korea return to the NPT and IAEA safeguards; require that it act strictly in accordance with the obligations applicable to States Party to the NPT and the terms and conditions of its IAEA Safeguards Agreement; and require that North Korea implement such transparency measures as may be required and deemed necessary by the IAEA. During the reporting period, North Korea did not take any steps toward fulfilling its denuclearization commitments and obligations. North Korea's nuclear tests and continuing nuclear activities stand in clear violation of multiple UNSCRs. North Korea was in violation of its obligations under Articles II and III of the NPT and its Safeguards Agreement before it announced withdrawal from the NPT in 2003.

EFFORTS TO RESOLVE COMPLIANCE CONCERNS

The United States and North Korea last engaged in formal bilateral dialogue on North Korea's nuclear program in February 2012. During the reporting period, the United States intensified efforts to apply pressure on North Korea to abandon its nuclear program through a three-prong strategy of: calling on all UN member states to fully and strictly implement their obligations required under all DPRK-related UNSCRs; urging countries to suspend or downgrade diplomatic relations with North Korea; and asking all countries to take bilateral actions beyond the requirements of the UNSCRs, including severing trade ties with North Korea. North Korean statements and activities during the reporting period did not signal any intention or commitment to denuclearization.

During the reporting period, in several multilateral fora, including the UN General Assembly, UNSC discussions, and the IAEA, countries from every region of the world recognized the unacceptable threat North Korea's nuclear weapons program poses to international peace and security and strongly condemned North Korea's nuclear test and its continuing and escalating UNSC-proscribed ballistic missile tests designed to improve nuclear weapons delivery. A chorus of nations urged North Korea to return to dialogue on denuclearization, and NPT Member States urged North Korea to comply with its international commitments, including under the

2005 Joint Statement, and to live up to its obligations under UNSCRs and its IAEA Safeguards Agreement.

SYRIAN ARAB REPUBLIC (SYRIA)

FINDING

The Syrian Arab Republic (Syria) remains in violation of its obligations under Article III of the NPT and its IAEA Safeguards Agreement. Syria failed to declare and provide design information to the IAEA for the construction of the reactor at Al Kibar (also known as Dair Alzour), which was destroyed in an Israeli airstrike on September 6, 2007. Syria's clandestine construction of the Al Kibar reactor and its continued denial of IAEA requests for access and information concerning the Al Kibar reactor and information concerning three functionally related locations are clear violations of its Safeguards Agreement, including its obligations under modified Code 3.1 of the Subsidiary Arrangements to its Safeguards Agreement. In addition to having violated Article III of the NPT, to the extent that these activities were undertaken in connection with an effort to develop nuclear weapons, Syria may also have violated Article II.

CONDUCT GIVING RISE TO COMPLIANCE CONCERNS

Syria became a State Party to the NPT in 1968, and its Safeguards Agreement entered into force in 1992. It had not signed the AP as of the end of 2017.

Al Kibar Site. The United States concluded that, until September 2007, Syria covertly was building, with North Korean assistance, an undeclared nuclear reactor at Al Kibar (in the province of Dair Alzour) in Syria's eastern desert. Given its assessed design, the reactor would have been capable of producing weapon-grade plutonium. The reactor was destroyed on September 6, 2007, before it became operational. The United States assesses that the reactor's intended purpose was the production of plutonium because the reactor was not configured for power production, was isolated from any civilian population, and was ill-suited for research. Following the reactor's destruction, Syria went to great lengths to clean up the site and to destroy evidence of what had previously existed at the site. By December 2007, Syria had constructed a large building over the location where the reactor once stood.

During the reporting period, the IAEA continued to seek information to address outstanding issues related to the site.

ANALYSIS OF COMPLIANCE CONCERNS

Article 41 of Syria's Safeguards Agreement with the IAEA specifies that "the provision of design information in respect of the new facilities ... shall be provided as early as possible before nuclear material is introduced into a new facility." Article 42 states, among other requirements, that "design information to be provided to the Agency shall include, when applicable: (a) the identification of the facility, stating its general character, purpose, nominal capacity and geographic location, and the name and address to be used for routine business purposes" The NPT states in Article III.1 that "the safeguards required by this article shall be applied on all

source or special fissionable material in all peaceful nuclear activities within the territory of such State, under its jurisdiction, or carried out under its control anywhere.”

On May 24, 2011, the DG released a report assessing that the building destroyed at Al Kibar was very likely a nuclear reactor that should have been declared by Syria pursuant to Articles 41 and 42 of its Safeguards Agreement and modified Code 3.1 of the Subsidiary Arrangements to its Safeguards Agreement. The United States agreed with this finding. In addition, as noted in the above analysis, the United States considers Syria to be in violation of its obligations under the NPT.

EFFORTS TO RESOLVE COMPLIANCE CONCERNS

On June 9, 2011, the IAEA BOG adopted a resolution finding Syria in noncompliance with its Safeguards Agreement and calling upon Syria to sign and bring into force an AP to its Safeguards Agreement.

The IAEA resolution also referred the matter to the United Nations Security Council. The Security Council met once in 2011, following the IAEA’s referral, but took no action. The Security Council did not address Syria’s nuclear activities in 2012, 2013, 2014, 2015, 2016, or 2017. For 2017, the IAEA noted there were no new developments and continued to urge Syria to cooperate fully with the IAEA in connection with all unresolved issues.

In 2017, the United States did not hold any bilateral discussions with Syria on its nuclear program.

TREATY ON OPEN SKIES (OST)

The Treaty on Open Skies (“Treaty” or “OST”) establishes a regime for the conduct of unarmed, aerial observation flights by States Party over the territories of other States Party using up to four types of Treaty-specified sensors (optical panoramic and framing cameras, video cameras with real-time display, infra-red line-scanning devices, and sideways-looking synthetic aperture radar). Thus far, only the first two types of sensors are currently employed by States Party. The Treaty was signed in Helsinki on March 24, 1992, entered into force on January 1, 2002, and is of unlimited duration. As of December 31, 2017, 34 States Party have signed and ratified the Treaty.

Belarus and the Russian Federation (hereafter, Russia) participate in the Treaty as the Belarus/Russian Federation Group of States Party. The United States first began addressing compliance concerns regarding the Belarus/Russian Federation Group of States Party in the 2004 Compliance Report. All OST issues that rise to the level of violations or compliance concerns that impact the United States in 2017 are related to Russia alone.

One issue previously reported as a violation has apparently been resolved and will no longer be reported. On June 20, 2017, the United States informed States Party of its determination that Russia had violated provisions of Articles VI and VIII of the OST by improperly invoking the doctrine of *force majeure* to impose deviations from agreed mission plans in order to prevent the overflight of VIP ground movements. At the same meeting, the Russian Delegation to the Open Skies Consultative Commission (OSCC) responded that Russia believed the expert “small group” meetings had already resolved this issue, agreeing that use of the term *force majeure* had been improper, and that Russia no longer intended to invoke *force majeure* improperly for the purposes of “deconflicting” observation flights and VIP ground movements. This position was reiterated in a formal statement at the OSCC and by the spokesperson of the Russian Ministry of Foreign Affairs on September 29, 2017. The change in policy reflected in these statements, coupled with the fact that Russia’s improper invocation of *force majeure* in this manner has not impacted a U.S. observation flight since 2014, have led the Administration to determine that this Treaty violation has been resolved.

The United States will continue to raise and discuss implementation issues in the context of multilateral consultations and bilaterally with the Russian Federation to improve common understanding of Treaty requirements and expectations.

BELARUS/RUSSIAN FEDERATION GROUP OF STATES PARTY (RUSSIA)

FINDING

In 2017, the United States determined that Russia was in violation of Section III of Annex A to the Treaty and OSCC Decision 3/04 for imposing and enforcing a sublimit of 500 kilometers over the Kaliningrad Oblast for all flights originating out of Kubinka Open Skies Airfield. The United States informed all States Party of this determination on June 20, 2017, at the OSCC.

CONDUCT GIVING RISE TO FINDING

In 2014, Russia introduced a 500-kilometer sublimit on the distance that any observation mission could fly over the Kaliningrad Oblast, including any mission originating from Kubinka Open Skies Airfield, which otherwise has a maximum flight distance of 5,500 kilometers and provides sufficient range to observe the entire Kaliningrad Oblast. In 2017, Russia refused three proposed flight plans from the United States that had flight distances of greater than 500 kilometers over the Kaliningrad Oblast: 1) in September, Norway, and the United States proposed a flight distance of 1,102 kilometers over Kaliningrad; 2) on another flight in September, the United States and Ukraine proposed a flight distance of 685 kilometers over Kaliningrad; and 3) in October, Sweden and the United States submitted a flight distance of 581.2 kilometers. After Russia rejected these flight plans, the observing Parties modified the plans, under protest, to include a distance of less than 500 kilometers over Kaliningrad in order to be able to conduct the observation mission. In the corresponding mission reports, the United States cited Russia's imposition of the sublimit as the reason for the modifications, which were made without prejudice to the observing Parties' Treaty rights.

ANALYSIS OF FINDING

As established in Section III of Annex A to the Treaty, flights originating from the Kubinka Open Skies Airfield are subject to a maximum flight distance of 5,500 kilometers. No Treaty provision permits a State Party to establish a sublimit within the maximum flight distance of an established Open Skies Airfield, as Russia did for missions originating from the Kubinka Open Skies Airfield for the territory of Kaliningrad. To the contrary, subparagraph 1(b) of OSCC Decision 3/04 precludes a State Party from decreasing the maximum flight distance of an Open Skies Airfield. Russia's 500-kilometer sublimit on flights over the Kaliningrad Oblast is therefore inconsistent with Section III of Annex A to the Treaty and OSCC Decision 3/04.

FINDING

In 2017, the United States determined that Russia was in violation of provisions of Article VI of the Treaty for refusing access to observation flights in a ten kilometer corridor along its border with the Georgian regions of South Ossetia and Abkhazia.

CONDUCT GIVING RISE TO FINDING

Although no State Party submitted a flight plan in 2017 that included a proposed flight path within ten kilometers of Russia's border with the Georgian regions of Abkhazia and South Ossetia, Russia stated during the reporting period that it would continue to reject such flight plans because it considered those regions independent nations that are not States Party to the Treaty.

ANALYSIS OF FINDING

Paragraph 2 of Section II of Article VI of the Treaty prohibits flight within ten kilometers of a border with a non-State Party. Russia claims that the South Ossetia and Abkhazia regions of Georgia are independent States and not party to the Treaty, and thus takes the position that

Paragraph 2 of Section II of Article VI prohibits flight within ten kilometers of its border with those regions. However, South Ossetia and Abkhazia are within the internationally recognized borders of Georgia, and are considered by all other States Party to be part of Georgia, which is a State Party to the Treaty. Accordingly, the U.S. position is that there is no basis within the Treaty to prohibit observation flights from within ten kilometers of any portion of the Russian-Georgian border, thereby denying States Party the right to observe those parts of Russia's territory. Russia's policy with regard to such flights is therefore inconsistent with Russia's obligations under Article VI of the Treaty. The United States notes that the operational question of facilitating flights could be resolved without prejudice to Parties' political views on the status of Abkhazia and South Ossetia, should Russia choose to do so.

EFFORTS TO RESOLVE FINDING

As in previous years, in 2017 the United States and other States Party raised their compliance concerns repeatedly at meetings of the OSCC and in bilateral and multilateral consultations with Russia. The United States continued to oppose any restriction inhibiting an observing Party's right to observe any point on the observed Party's territory in accordance with the Treaty.

In March 2016, the United States, Allies, and partners decided to engage Russia diplomatically in an effort to try to understand and resolve these concerns with Russia through consultation. Allies sought to engage Russia as early as April 2016, but Russia declined to discuss these issues until July 2016. At that time, Russia agreed to experts meetings in a Small Group format that included Russia and several other States Party.

This group met three times between September 2016 and March 2017. After the last meeting in March 2017, the United States came to the conclusion that Russia did not share the U.S. interest in engaging substantively toward a mutually agreeable resolution. At the March 2017 meeting, Russia's representatives rejected U.S. proposals to agree on areas where the United States might document progress from the discussions and questioned the value of further engagement on the U.S. concerns in the Small Group format, bringing the effort the United States initiated in 2016 to a disappointing close.

At the OSCC Plenary on September 26, 2017, the United States announced it would take several limited, Treaty-compliant, and reversible measures aimed at encouraging Russia to return to full compliance with the Treaty. Specifically, the United States said it would:

- revise the flight distance associated with the access to the leeward Hawaiian Islands to a maximum of 900 kilometers as part of the special procedures provided for in subparagraph 5(b)(2) of Annex E to the Treaty;
- cease the practice of waiving certain published Federal Aviation Administration (FAA) rules, procedures, and guidelines on flight safety for Open Skies flights; and
- no longer allow courtesy overnight accommodations at certain mainland Open Skies Refueling Airfields (OSRAs) that are not needed to enable territorial access.

On October 23, 2017, the Russian Delegation to the OSCC stated that Russia would take "reciprocal" actions in response to the U.S. measures.

At the December 11, 2017, OSCC Plenary, Russia stated that it would cease implementing a series of bilateral, operational agreements/arrangements instituted in 2006, 2007, 2008, and 2011 to facilitate Open Skies Treaty implementation. As of December 31, 2017, the impact of Russia's actions on U.S. Treaty implementation was still being assessed.

PART IV: ADHERENCE BY PARTICIPATING STATES (INCLUDING SUCCESSOR STATES) TO POLITICALLY BINDING BILATERAL AND MULTILATERAL COMMITMENTS

VIENNA DOCUMENT ON CONFIDENCE- AND SECURITY-BUILDING MEASURES

On November 30, 2011, the participating States of the Organization for Security and Cooperation in Europe (OSCE) adopted Vienna Document 2011 (VD11), which added to and built upon the commitments in previous versions of the Vienna Document (1990, 1992, 1994, and 1999); subsequent “Vienna Document Plus” Decisions build on VD11. The confidence- and security-building measures (CSBMs) contained in VD11 and Vienna Document Plus Decisions are politically binding upon the participating States.

This chapter covers VD11 adherence by participating States during 2017. The four OSCE participating States that were reported on in this chapter of last year’s edition of the Report are included again this year, as well as one additional participating State, Turkmenistan.

In 2017, 95 inspections and 40 evaluation visits of units and formations were conducted by the participating States under the provisions of VD11, Chapter IX. In addition, 25 inspections and 32 evaluation visits were conducted using VD11 procedures under bilateral agreements, regional measures, or other arrangements that provided additional inspection opportunities to the participants in those arrangements.

The most recent annual VD11 exchange of CSBMs data was held on December 15, 2017, for participating States with military forces in the VD11 zone of application, to provide CSBMs data valid as of January 1, 2018.^f

COUNTRY ASSESSMENTS

THE RUSSIAN FEDERATION (RUSSIA)

FINDING

The United States assesses that the Russian Federation’s (Russia’s) selective implementation of certain provisions of VD11 and the resultant loss of transparency about Russian military activities has limited the effectiveness of the CSBMs regime. Russia’s selective implementation also raises concerns as to Russia’s adherence to VD11.

In 2017, Russia’s continued occupation and attempted annexation of Crimea, Ukraine, as well as its arming, training, and fighting alongside anti-government forces in eastern Ukraine was contrary to paragraphs 2 and 3 of VD11, in which the participating States stress the continued

^f Under the terms of VD11, participating States provide data each December regarding their forces in the zone of application as of January 1 of the following year.

validity of commitments on refraining from the threat or use of force contained in the Helsinki Final Act and the Stockholm Document, as seen in the light of the Charter of Paris and the Charter for European Security.

In 2017, Russia again failed to provide information on its military forces located in the Russian-occupied Georgian territories of Abkhazia and South Ossetia as well as on two Russian units in Crimea, Ukraine. With regard to reporting major weapons and equipment in its VD11 data, Russia continued to exclude improperly the BRM-1K armored combat vehicle. Additionally, Russia failed to report on one type of combat aircraft and one type of helicopter that were both deployed to units in the VD11 zone of application.

CONDUCT GIVING RISE TO ADHERENCE CONCERNS

Russia has joined the consensus adoption of each version of the Vienna Document (1990, 1992, 1994, 1999, and 2011) and of subsequent “Vienna Document Plus” Decisions. Russia's adherence to the Vienna Document was first addressed in the 1999 Compliance Report.

Russia's continued occupation and attempted annexation of Crimea in 2017, as well as arming, training, and fighting alongside anti-government forces in eastern Ukraine, runs counter to the Helsinki Final Act and the declaration on Refraining from the Threat or Use of Force contained in paragraphs 9 to 27 of the Document of the Stockholm Conference, reaffirmed in paragraphs 2 and 3 of the VD11, respectively.

In its VD11 data valid as of January 1, 2017, Russia again failed to provide information on its military forces located in the Russian-occupied Georgian territories of Abkhazia and South Ossetia, neither reporting such forces at normal peacetime locations in Russia as it had done from 2008 through 2011, nor identifying normal peacetime locations in the Abkhazia and South Ossetia regions. Russia also failed to provide information on two Russian units located in Crimea, Ukraine,[§] that were established in 2014, although it declared the continued presence of other Russian units there.

In its VD11 data valid as of January 1, 2017, Russia continued its practice of improperly excluding the BRM-1K armored combat vehicle. Russia reported the BRM-1K as an armored combat vehicle look-alike in its data as of January 2005 and January 2006, but has not reported it since that time, despite its continued deployment in the VD11 zone of application. Additionally, Russia failed to include two types of equipment – the Su-30SM multirole fighter and the Ka-52 attack helicopter – in its data as of January 1, 2017, despite their deployment in the zone of application to units subject to VD11 reporting since 2014.

Russia's implementation of VD11, including with respect to Ukraine, continued to be of concern in 2017. On November 11, 2016, Russia used its annual calendar notification for the following year to notify OSCE participating States of one activity, a Command Staff Exercise involving units and sub-units of the 49th Joint Forces Army of the Southern Military District, scheduled for September 12-16, 2017. A subsequent notification indicated the exercise would involve up to

[§] Russia declared the 68th Naval Engineering Regiment in its Annual Exchange of Military Information, valid as of January 1, 2018. This information will be reflected in next year's report.

3,500 troops, which is below VD11 thresholds for notification and observation (9,000 troops and 13,000 troops, respectively). Russia did not notify any other exercises throughout 2017 despite press reports indicating exercises near, and in some cases potentially above, VD11 thresholds. It is not clear to the United States which forces in the exercises Russia conducted or participated in were subject to counting under VD11. As a result, it is difficult to determine whether the personnel numbers reported in the press indicate a failure by Russia to provide a required notification or observation opportunity. Russia provided no explanation regarding the press reports, although there is no explicit requirement for participating States to account for numbers that are announced publicly.

ANALYSIS OF ADHERENCE CONCERNS

VD11, Chapter I, paragraph 9, states that the OSCE participating States will annually exchange information on their military forces in the zone of application concerning the military organization, manpower, and major weapon and equipment systems, including armored infantry fighting vehicle look-alikes. Also, Chapter I, paragraph 11.2, states that a participating State will provide data on new types or versions of major weapon and equipment systems at the latest, when it deploys the systems concerned for the first time in the zone of application for CSBMs, and paragraph 13 calls for exchanging information on plans for the deployment of major weapon and equipment systems.

Russia has failed again to provide information on its military forces in the Russian-occupied Georgian regions of Abkhazia and South Ossetia, claiming their territory is not part of the VD11 zone of application. However, Abkhazia and South Ossetia are within the internationally recognized borders of Georgia and are considered by all other participating States to be part of Georgia and thus within the VD11 zone of application.

Russia also failed to provide information on two Russian Armed Forces units in Crimea, Ukraine since 2015, and did not include these units in its annual data as of January 1, 2017, although it provided information on other units in Crimea, Ukraine. Both units – the 126th Coastal Defense Brigade and the 68th Naval Engineering Regiment^h – were established in 2014 and featured prominently in military exercises in Crimea during 2016 and 2017, according to statements by senior Russian military officials and Russian press reports. Russia currently declares another naval engineering regiment, at Gvardeysk, in its annual data.

Russia failed again to report the BRM-1K armored combat vehicle. Russia also failed to include the Su-30SM multirole fighter and the Ka-52 attack helicopter in its data since 2015, and did not include them in its annual data as of January 1, 2017. In addition, Russia has not provided data about either system as VD11 requires for deployment of new types or versions of major weapon and equipment systems. Press reports in 2017 continue to highlight the active role of the SU-30SM multirole fighter and Ka-52 attack helicopters in tactical flight training exercises in the Southern Military District and Pskov respectively.

^h Russia declared the 68th Naval Engineering Regiment in its Annual Exchange of Military Information, valid as of January 1, 2018. This information will be reflected in next year's report.

VD11, Chapter V, paragraph 38, states that participating States will provide notification in writing to all other participating States 42 days or more in advance of the start of notifiable military activities. Chapter V, paragraph 41, states no-notice exercises that exceed notification thresholds need not be notified in advance, but are to be notified at the time the troops involved commence such activities and are otherwise subject to Chapter V reporting criteria. In addition, Chapter VI, paragraph 58, stipulates that no-notice notifiable activities with a duration of more than 72 hours are subject to observation when such activities continue beyond 72 hours while the VD11 observation thresholds are met or exceeded. Per the Vienna Document Plus Decision No. 9/12, at least one major military exercise or activity is to be notified if no military activity meets Chapter V notification thresholds.

Russia notified in its VD11 Annual Calendar a September 12-16 Command Staff Exercise in its Southern Military District as a major military activity, and a subsequent notification about the exercise indicated up to 3,500 troops and up to 86 pieces of hardware (20 ACVs, 6 ATGM, 60 artillery) would be involved, numbers well below VD11 thresholds. A Ministry of Defense press report on the exercise indicated it involved just 700 troops and 200 pieces of military hardware. Meanwhile, Russia continued to conduct and publicize – but not notify – large-scale military exercises and no-notice activities, including in the VD11 zone of application. On February 8, 2017, Russia announced a “snap” readiness inspection in the Western Military District with press reports indicating that over 45,000 personnel would participate. In February 2017, press reports indicated that over 10,000 servicemen of artillery and missile units as well as about 2,000 items of combat and special hardware would be involved in a 1.5 month-long field training exercise to be held in the Western Military District. In late July 2017, the Russian Defense Ministry announced that about 16,000 troops and more than 4,000 pieces of weapons and military equipment in the Southern Military District would be involved in drills lasting a week.

The reported numbers of 45,000 personnel for the February 7, 2017 “snap” inspection and 16,000 personnel for the exercise in July were above VD11 observation and notification thresholds, and the 10,000 total for the exercise in February was above the notification threshold; however, not all forces or types of activity are, in fact, subject to counting under VD11. In addition, it is not clear whether these numbers were peak or cumulative, which could affect whether VD11 thresholds were exceeded.¹ Russia did not respond to calls to provide further details on its exercise activities, to include its participation in ZAPAD-2017, a Joint Belarus-Russia Strategic Exercise which Belarus notified under VD11, and to adhere to any applicable VD11 notification and observation provisions.

It appears that other activities that took place in the same timeframe but were not directly linked to ZAPAD-2017, were not conducted as a single military activity under “a single operational command,” and thus not subject to VD11 notification and observation. The United States has not determined whether the activities reported in the press met the criteria of “a single activity” that exceeded the thresholds for notification and observation in VD11.

¹ Examples of activities that are not required to be notified under VD11 but could be included in publicly announced numbers include command post exercises that do not involve activities in the field, military activities that are not conducted as a single activity under a single command structure, military activities outside the zone of application, or the activities of internal security forces, seagoing naval forces (except for amphibious operations), air defense forces; strategic, transport, and most tactical aviation; and strategic rocket forces.

EFFORTS TO RESOLVE ADHERENCE CONCERNS

During 2017, the United States and other participating States continued to raise in the OSCE the grave issues of Russia's attempted annexation of Crimea and Russian support for the separatist forces in eastern Ukraine, which run counter to OSCE security commitments recalled in VD11.

During 2017, the United States has raised concerns about large-scale "snap" inspections and no-notice exercises that could be in excess of VD11 Chapter V notification thresholds and has requested additional information to confirm whether they correspond to activities notifiable under VD11. The United States, together with Allies, and other OSCE partners proposed updates to VD11 to provide additional transparency on these types of military activities. Russia has continued to refuse to engage in any serious discussion of these proposals.

REPUBLIC OF AZERBAIJAN (AZERBAIJAN)

FINDING

The Republic of Azerbaijan (Azerbaijan) failed to notify at least one major military exercise or activity for calendar year 2017.

CONDUCT GIVING RISE TO ADHERENCE CONCERNS

Azerbaijan has joined the consensus adoption of each version of the Vienna Document (1990, 1992, 1994, 1999, and 2011) and of subsequent "Vienna Document Plus" Decisions. Azerbaijan's adherence to the Vienna Document was first addressed in the Compliance Report in 1998.

Azerbaijan failed to provide notification of at least one major military exercise or activity during calendar year 2017.

ANALYSIS OF ADHERENCE CONCERNS

VD11, Chapter V, paragraph 38, states that participating States will provide notification in writing to all other participating States 42 days or more in advance of the start of notifiable military activities. Chapter V, paragraph 41, states no-notice exercises that exceed notification thresholds need not be notified in advance, but are to be notified at the time the troops involved commence such activities and are otherwise subject to Chapter V reporting criteria. Per the Vienna Document Plus Decision No. 9/12, at least one major military exercise or activity is to be notified if no military activity meets Chapter V notification thresholds.

Azerbaijan conducts and publicizes exercises, while continuing to fail to provide notification of at least one major military exercise or activity each year. On April 16, 2017, the Defense Ministry of Azerbaijan reported the conduct of "large-scale exercises" from April 16-21, involving 30,000 service members, more than 250 tanks and armored combat vehicles, and up to 25 military aircraft. On June 19, 2017, the Defense Ministry of Azerbaijan released a public

statement announcing that it would conduct “large-scale military exercises” involving “up to” 23,000 military personnel, 30 aircraft, and 120 tanks and armored vehicles. On September 18, 2017, the Defense Ministry of Azerbaijan released a public statement announcing that it would conduct “large-scale military exercises with participation of various military branches” from September 18-22 involving “up to” 15,000 military personnel, 20 combat aircraft, and 150 tanks and armored vehicles. In all three instances, it was not clear how many personnel were determined to be subject to VD11 and therefore subject to VD11 thresholds for notification and observation (over 9,000 and 13,000 personnel, respectively).

EFFORTS TO RESOLVE ADHERENCE CONCERNS

The United States shared with Azerbaijan concerns about lack of transparency for large-scale exercises. Regarding these exercises, Azerbaijan noted in statements at the OSCE’s Forum for Security Cooperation (FSC), that it did not have anything further to add to the information that was provided on the Defense Ministry’s web site.

KYRGYZ REPUBLIC

FINDING

The Kyrgyz Republic failed to provide CSBMs data on its armed forces (as of January 1, 2017) by December 31, 2017. Also, the Kyrgyz Republic failed to notify at least one major military exercise or activity for calendar year 2017 and declined a request by the United States to conduct a Vienna Document Inspection on its territory from June 13-16, 2017.

CONDUCT GIVING RISE TO ADHERENCE CONCERNS

The Kyrgyz Republic has joined the consensus adoption of each version of the Vienna Document (1990, 1992, 1994, 1999, and 2011) and of subsequent “Vienna Document Plus” Decisions. The Kyrgyz Republic’s adherence to the Vienna Document was first addressed in the Compliance Report in 2001.

The Kyrgyz Republic failed to provide CSBMs data on its armed forces (as of January 1, 2017) by December 31, 2017. The Kyrgyz Republic has not provided data since it provided data valid as of January 1, 2014.

The Kyrgyz Republic failed to provide advance notification of at least one major military exercise or activity during calendar year 2017.

The Kyrgyz Republic declined a request by the United States to conduct a Vienna Document Inspection on its territory from June 13-16, 2017, citing staffing problems.

ANALYSIS OF ADHERENCE CONCERNS

VD11, Chapter I, paragraph 10, states that participating States will exchange annually information on their military forces in the zone of application not later than December 15 of each year.

VD11, Chapter V, paragraph 38, states that participating States will provide notification in writing to all other participating States 42 days or more in advance of the start of notifiable military activities. Per the Vienna Document Plus Decision No. 9/12, at least one major military exercise or activity is to be notified annually if no military activity meets Chapter V notification thresholds.

VD11, Chapter IX allows participating States to request and conduct inspections on the territory of any other participating State in accordance with the timelines and limitations of that chapter. It cites only *force majeure* as potential grounds for a receiving State to decline an inspection and lays out steps to take through diplomatic or other channels for such a contingency.

EFFORTS TO RESOLVE ADHERENCE CONCERNS

The United States in the FSC raised its concern with the Kyrgyz Republic not citing a valid basis under VD11 Chapter IX for declining a request by the United States to conduct a Vienna Document Inspection on its territory from June 13-16, 2017. The United States made clear its concern with this lack of adherence to VD11 and encouraged full adherence to VD11 commitments by the Kyrgyz Republic.

REPUBLIC OF TURKMENISTAN (TURKMENISTAN)

FINDING

The Republic of Turkmenistan (Turkmenistan) failed to provide CSBMs data on its armed forces (as of January 1, 2017) by December 31, 2017. Also, Turkmenistan failed to notify at least one major military exercise or activity for calendar year 2017.

CONDUCT GIVING RISE TO ADHERENCE CONCERNS

Turkmenistan has joined the consensus adoption of each version of the Vienna Document (1990, 1992, 1994, 1999, and 2011) and of subsequent “Vienna Document Plus” Decisions. This is the first time Turkmenistan’s adherence to the Vienna Document is being addressed in the Compliance Report.

Turkmenistan did not provide by December 15, 2016, its annual VD11 data valid as of January 1, 2017 nor at any time during 2017. Turkmenistan has not provided data since January 2015, when it provided its data valid as of January 1, 2015.

Turkmenistan failed to provide advance notification of at least one major military exercise or activity during calendar year 2017.

ANALYSIS OF ADHERENCE CONCERNS

VD11, Chapter I, paragraph 10, states that participating States will exchange annually information on their military forces in the zone of application not later than December 15 of each year.

VD11, Chapter V, paragraph 38, states that participating States will provide notification in writing to all other participating States 42 days or more in advance of the start of notifiable military activities. Per the Vienna Document Plus Decision No. 9/12, at least one major military exercise or activity is to be notified annually if no military activity meets Chapter V notification thresholds.

EFFORTS TO RESOLVE ADHERENCE CONCERNS

The United States discussed bilaterally with Turkmenistan its VD11 commitments and failure to provide an annual CSBMs data declaration. The United States has encouraged Turkmenistan to provide its overdue CSBMs data on its armed forces valid as of January 1, 2017, and to return to its previous practice of providing an annual CSBMs data declaration.

REPUBLIC OF UZBEKISTAN (UZBEKISTAN)

FINDING

The Republic of Uzbekistan (Uzbekistan) failed to provide CSBMs data on its armed forces (as of January 1, 2017) by December 31, 2017. Also, Uzbekistan failed to notify at least one major military exercise or activity for calendar year 2017.

CONDUCT GIVING RISE TO ADHERENCE CONCERNS

Uzbekistan has joined the consensus adoption of each version of the Vienna Document (1990, 1992, 1994, 1999, and 2011) and of subsequent “Vienna Document Plus” Decisions.

Uzbekistan’s adherence to the Vienna Document was first addressed in the Compliance Report in 2000.

Uzbekistan did not provide by December 15, 2016, its annual VD11 data valid as of January 1, 2017 nor at any time during 2017. Uzbekistan has not provided data since February 12, 2003, when it provided data valid as of January 1, 2003.

Uzbekistan failed to provide advance notification of at least one major military exercise or activity during calendar year 2017.

ANALYSIS OF ADHERENCE CONCERNS

VD11, Chapter I, paragraph 10, states that participating States will exchange annually information on their military forces in the zone of application not later than December 15 of each year.

VD11, Chapter V, paragraph 38, states that participating States will provide notification in writing to all other participating States 42 days or more in advance of the start of notifiable military activities. Per the Vienna Document Plus Decision No. 9/12, at least one major military exercise or activity is to be notified annually if no military activity meets Chapter V notification thresholds.

EFFORTS TO RESOLVE ADHERENCE CONCERNS

The United States discussed bilaterally with Uzbekistan its VD11 commitments and failure to provide an annual CSBMs data declaration. The United States has encouraged Uzbekistan to provide its overdue CSBMs data on its armed forces valid as of January 1, 2017, and to return to its previous practice of providing an annual CSBMs data declaration.

MISSILE NONPROLIFERATION COMMITMENTS

The Missile Technology Control Regime (MTCR) is the key multilateral arrangement addressing the proliferation of missiles and missile-related technology.

Missile Technology Control Regime. The MTCR is a voluntary arrangement among Partner countries sharing a common interest in controlling missile proliferation. The MTCR is not a treaty and it does not impose legally binding obligations on participating countries. Rather, it is an informal political understanding among States that seek to limit the proliferation of missiles and missile technology. The MTCR Partner countries control exports of a common list of controlled items (the MTCR Equipment, Software, and Technology Annex, also referred to as the MTCR Annex) according to a common export control policy (the MTCR Guidelines). The Guidelines and Annex are implemented according to each Partner country's national legislation and regulations. Membership in the MTCR has grown steadily since the Regime's creation in 1987, and 35 countries are now members.

The United States has sought and received separate, bilateral political commitments to limit missile proliferation activities that are addressed below. Additional country information is provided in higher classification reporting.

PEOPLE'S REPUBLIC OF CHINA (CHINA)

FINDING

In 2017, Chinese entities continued to supply missile programs of proliferation concern.

CONDUCT GIVING RISE TO ADHERENCE CONCERNS

In November 2000, the People's Republic of China (China) made a public commitment not to assist "in any way, any country in the development of ballistic missiles that can be used to deliver nuclear weapons (i.e., missiles capable of delivering a payload of at least 500 kilograms to a distance of at least 300 kilometers)." Additional information related to China's adherence to this commitment is provided in a higher classification version of this Report

ANALYSIS OF ADHERENCE CONCERNS

As mentioned above, China committed in a November 2000 public statement not to assist "in any way, any country in the development of ballistic missiles that can be used to deliver nuclear weapons (i.e., missiles capable of delivering a payload of at least 500 kilograms to a distance of at least 300 kilometers)."

EFFORTS TO RESOLVE ADHERENCE CONCERNS

The United States continues to engage regularly with China on missile nonproliferation issues.

PART V: STATES' ADHERENCE TO CERTAIN UNILATERAL COMMITMENTS

This part of the Compliance Report concerns States' adherence to certain commitments undertaken unilaterally by those States that do not impose obligations under international law. Although the United States is not a participant in these commitments, they are included in the Compliance Report as a matter of discretion.

MORATORIA ON NUCLEAR TESTING

By September 1996, each of the nuclear-weapons States (NWS) under the NPT – China, France, Russia, the United Kingdom, and the United States – had unilaterally declared a voluntary nuclear testing moratorium. The United States currently defines its own nuclear testing moratorium as a commitment not to conduct “nuclear explosive” tests. Additional information is provided in the higher classification versions of this Report.

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